

Amendments to the Claims

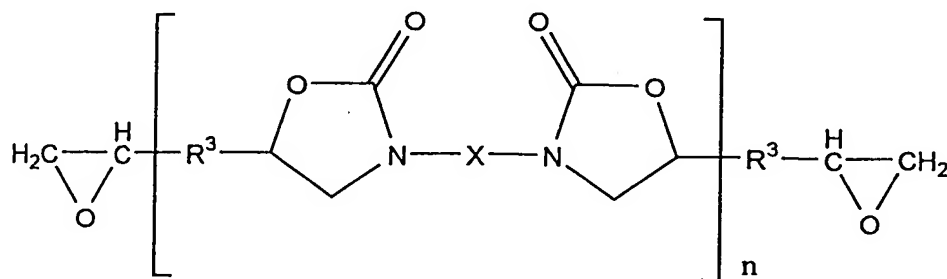
Claims 1-19 (Cancelled)

Claim 20 (New). An aqueous coating composition, which comprises:

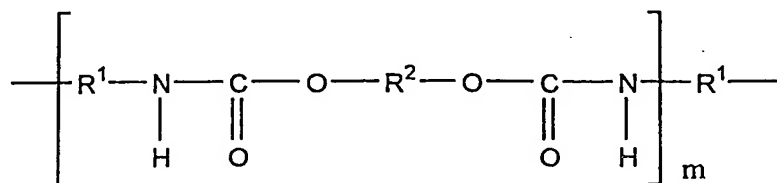
an aqueous medium, a neutralizing agent which is dissolved in the aqueous medium, an oxazolidone ring-containing epoxy resin and a crosslinking agent which are dispersed in the aqueous medium,

wherein the oxazolidone ring-containing epoxy resin is prepared by a process comprising the steps of:

reacting an oxazolidone ring-containing epoxy resin (a) having a structure of the formula:



wherein R^3 represents a residue excluding epoxy groups of diepoxide, X represents a residue excluding isocyanate groups of polyurethane diisocyanate, and n represents an integer of 1 to 5; and wherein X has a structure of the formula:



wherein R^1 represents a residue excluding isocyanate groups of diisocyanate, R^2 represents a residue excluding hydroxyl groups of diol, and m represents an integer of 2 to 10,

with at least one first active hydrogen compound (b) selected from the group consisting of monoalcohol, diol, monocarboxylic acid, and dicarboxylic acid to partially open the ring of the epoxy groups present in the oxazolidone ring-containing epoxy resin (a); and

allowing the resulting product to react with a second active hydrogen compound having an ionic group (c) to open the ring of the rest of the epoxy groups.

Claim 21 (New) The composition according to claim 20, wherein the first active hydrogen compound (b) is polyether polyol, polyester polyol, or bisphenols and their derivatives.

Claim 22 (New) The composition according to claim 20, wherein the first active hydrogen compound (b) is aliphatic primary alcohol, or phenols and their derivatives.

Claim 23 (New) The composition according to claim 20, wherein the first active hydrogen compound (b) is aliphatic or aromatic dicarboxylic acid.

Claim 24 (New) The composition according to claim 20, wherein the first active hydrogen compound (b) is aliphatic or aromatic monocarboxylic acid.

Claim 25 (New) The composition according to claim 20, wherein the second active hydrogen compound (c) is an acid salt of primary amine, secondary amine, or tertiary amine.

Claim 26 (New) The composition according to claim 20, wherein the second active hydrogen compound (c) is a mixture of sulfide and acid.

Claim 27 (New) The composition according to claim 20, wherein the second active hydrogen compound (c) is aliphatic, or aromatic polycarboxylic acid.

Claim 28 (New) The composition according to claim 20, wherein the oxazolidone ring-containing epoxy resin (a) is contained in an amount of from 35 to 95% by weight based on solid.